GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:7991
ANSWERED ON:17.05.2000
CAPTIVE POWER PLANTS
BASUDEB ACHARIA

Will the Minister of STEEL be pleased to state:

(a) whether the electricity produced by the captive power plants of SAIL, particularly by Bokaro, Rourkela and Durgapur is the cheapest as compared to others;

(b) if so, the details thereof;

(c) whether it is a fact that SAIL is going to sell its power plants to NTPC to get fund for its working; and

(d) if so, the details thereof and reasons therefor?

Answer

MINISTER OF STATE FOR STEEL

(SHRI DILIP RAY)

(a) & (b): While electricity produced by the captive power plant - I of Durgapur Steel plant is costlier than power purchased from damodar Valley Corporation, the electricity produced by the other captive power plants at Bokaro, Rourkeela and Durgapur is cheaper than power purchased from their respective utility grids.

(c) & (d): SAIL is not selling its captive power plants to NTPC. However, the captive power plants PP - I and PP - II at Bokaro, PP -II c Durgapur and PP - II of Rourkela alongwith some related facilities are to be restructured by forming a separate Power Company registered as SAIL Power Supply Company Limited (SPSCL). SAIL is in dialogue with NTPC for their participation as the joi venture partner in SPSCL.

Finance generated in this transaction would help SAIL cope with present financial difficulties.